

ITEL

BY FEDERAL EXPRESS

IteI Rail Corporation

550 California Street
San Francisco, CA 94104
(415) 984-4200

2-064A033

March 3, 1992

RECORDATION NO. 8873-7 FILED 1425

MAR 4 - 1992 - 3 40 PM

INTERSTATE COMMERCE COMMISSION

Hon. Sidney L. Strickland, Jr., Esq.
Secretary
Interstate Commerce Commission
Washington, DC 20423

**Re: Termination of Lease, Trust Agreement and Purchase Order Assignment
("Termination")**

Dear Mr. Strickland:

On behalf of IteI Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$16 recordation fee.

Please record the subject Termination under the Purchase Order Assignment dated as of June 15, 1977, among IteI Rail Corporation, successor to SSI Rail Corp., ACF Industries, Inc. and First Security Bank of Idaho, successor to First Security State Bank, as Owner-Trustee under a Trust Agreement dated as of June 15, 1977, with Budd Leasing Corp., which was filed with the ICC on July 7, 1977, under Recordation No. 8873.

The parties to the aforementioned instrument are listed below:

IteI Rail Corporation (Lessee)
550 California Street
San Francisco, California 94104

3473-C
First Security Bank of Idaho, N.A. (Owner-Trustee)
79 South Main Street
Salt Lake City, Utah 84111

Effective as of February 14, 1992, the Lease, given Recordation No. 8873-4; the Trust Agreement; and the Purchase Order Assignment, given Recordation No. 8873-7 are terminated in their entirety.

Hon. Sidney L. Strickland, Jr., Esq.

March 3, 1992

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Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker
Legal Assistant

**TERMINATION OF LEASE, TRUST AGREEMENT
AND PURCHASE ORDER ASSIGNMENT**

8873-I
FILED 1425
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INTERSTATE COMMERCE COMMISSION

TERMINATION OF LEASE, TRUST AGREEMENT AND PURCHASE ORDER ASSIGNMENT (the "Termination") between **FIRST SECURITY BANK OF IDAHO, N.A.**, as successor to FIRST SECURITY STATE BANK, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), and **ITEL RAIL CORPORATION** ("Itel Rail"), dated as of February 14, 1992.

WHEREAS, The Budd Leasing Corp. ("Budd") created a trust (the "Trust") pursuant to a Trust Agreement (the "Trust Agreement"), dated as of June 15, 1977, between Budd and the Owner-Trustee; and

WHEREAS, Itel Rail, as successor to SSI Rail Corp. ("SSI") (as lessee), Budd (as owner), the Owner-Trustee (as owner-trustee) and certain other parties (as purchasers) were parties to a Participation Agreement dated as of June 15, 1977, as amended (as amended, the "Participation Agreement"); and

WHEREAS, the Owner-Trustee, on behalf of the Trust, and the Trustee are parties to an Equipment Trust Agreement, 1977 Series 3 (secured by SSI Rail Corp. Lease No. 3), dated as of June 15, 1977, as amended (as amended, the "Equipment Trust Agreement") pursuant to which the Trustee has issued equipment trust certificates (the "ETC's") to certain holders (the "Purchasers"), which Equipment Trust Agreement was filed with the Interstate Commerce Commission (the "I.C.C.") pursuant to 49 U.S.C. Section 11303(a) on July 7, 1977, and given Recordation No. 8873-A; and

WHEREAS, SSI, the Owner-Trustee and ACF Industries, Incorporated (the "Manufacturer") were parties to a Purchase Order Assignment dated as of June 15, 1977, (the "Purchase Order Assignment") pursuant to which SSI assigned to the Owner-Trustee its rights under certain agreements between SSI and the Manufacturer with respect to the manufacture and sale by the Manufacturer to SSI of one hundred (100) boxcars, which Purchase Order Assignment was filed with the I.C.C. pursuant to 49 U.S.C. Section 11303(a) on July 7, 1977, and given Recordation No. 8873; and

WHEREAS, the Owner-Trustee, on behalf of the Trust, took delivery from the Manufacturers of all one hundred (100) boxcars which were the subject of the Purchase Order Assignment, certain of such boxcars have been destroyed, and the remaining ninety-three (93) boxcars are identified on Schedule 1 hereto (the "Cars"); and

WHEREAS, pursuant to the Trust Agreement, the Owner-Trustee held legal title to the Cars and the Cars constituted part of the Trust Estate (as defined in the Trust Agreement); and

WHEREAS, the Owner-Trustee leased the Cars to Itel Rail pursuant to a Lease of Railroad Equipment (No. 3) dated as of June 15, 1977, as amended (as amended, the "Lease") between Itel Rail (as lessee), as successor to SSI, and the Owner-Trustee (as lessor), which Lease was filed with the I.C.C. pursuant to 49 U.S.C. Section 11303(a) on July 7, 1977, and given Recordation No. 8873-B; and

WHEREAS, Budd and Itel Rail are parties to an Assignment and Assumption Agreement (the "Assignment and Assumption") and a Purchase and Sale Agreement, each dated as of February 19, 1988, pursuant to which Itel Rail purchased all of Budd's beneficial interest in the Cars and the Lease and all of Budd's right, title and interest in the Trust, the Trust Agreement, the Participation Agreement, the Purchase Order Assignment and all related agreements, instruments and documents; and

WHEREAS, the ETC's were paid in full on February 14, 1992; and

WHEREAS, simultaneously herewith, the Owner-Trustee has delivered to Itel Rail a bill of sale, dated as of the date hereof, conveying legal title to the Cars to Itel Rail; and

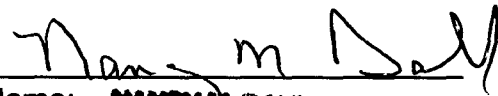
WHEREAS, Itel Rail, the legal and beneficial owner of the Cars, and the Owner-Trustee desire to terminate the Lease, the Trust Agreement and the Purchase Order Assignment, and the Owner-Trustee has agreed to release the Sublease Assignment (as defined in the Equipment Trust Agreement) which secured the performance of the lessee's obligations under the Lease, and make such termination and release matters of record.

NOW, THEREFORE, the Owner-Trustee and Itel Rail hereby agree as follows:


1. The Lease, the Trust Agreement, and the Purchase Order Assignment are hereby terminated and extinguished in their entirety; provided, however, that any obligations under the Lease arising prior to the date hereof which the Lease expressly provides survive the expiration or termination of the Lease, or any rights of the Owner-Trustee to indemnity or otherwise, which by the express terms of the Lease survive the expiration or termination, shall survive.
2. The Sublease Assignment and the liens created thereby are hereby released, terminated and extinguished in their entirety.
3. This Termination shall be governed by and construed in accordance with the laws of the State of Utah, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties have executed and delivered this Termination as of the date first above written.

FIRST SECURITY BANK OF IDAHO, N.A.
not in its individual capacity, but solely
as Owner-Trustee

By 
Name: **NANCY M. DAHL**
Title: **TRUST OFFICER**

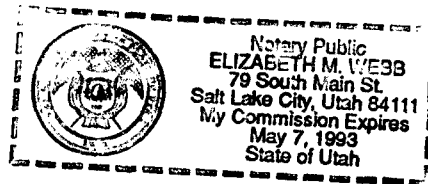
ITEL RAIL CORPORATION

By 
Name: **Robert C. Kiehle**
Title: **Vice President and Treasurer**

STATE OF UTAH)
COUNTY OF Salt Lake) ss.

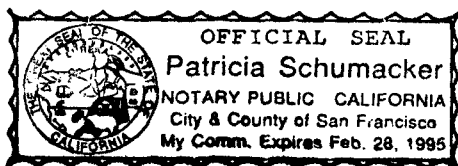
On this 28th day of February, 1992, before me personally appeared _____
Nancy M. Dahl personally known to me to be the person who executed the within
instrument as First Officer of First Security Bank of Idaho, N.A., and acknowledged
to me that the association executed it.

Elizabeth M. Webb
Notary Public



STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO) ss.

On this 25th day of February, 1992, before me personally appeared Robert C. Kiehle, personally known to me to be the person who executed the within instrument as Vice President and Treasurer of Irel Rail Corporation, and acknowledged to me that the corporation executed it.



Patricia Schumacker
Notary Public

SCHEDULE 1

IDENTIFICATION OF CARS

Reporting Marks

ADN 8000-8019
ADN 8021-8026
ADN 8028-8044
ADN 8046
ADN 8048-8068
ADN 8070-8083
ADN 8085-8088
ADN 8090-8099

Description of Equipment

ninety-three (93)
50'6", 70-ton boxcars
with 10' sliding doors;
built by AFC Industries, Incorporated

TOTAL: 93 Railcars